

PILOT TRAINING PROGRAM FOR MICROENTERPRISE

(TC-98-04-27-1-ES)

EXECUTIVE SUMMARY

Executing agency:	Salvadoran Foundation for Integral Education (FEDISAL)	
Financing:	Modality:	Nonreimbursable
	MIF (Facility)	US\$ 870,000
	Local counterpart:	US\$ 405,000
	Total:	US\$ 1,275,000
Execution timetable:	Execution period:	36 months
	Disbursement period:	42 months
Objectives:	<p>The objective of the project is to help improve the productivity of the microenterprise sector in eastern El Salvador. This will be achieved by promoting a sustainable market for training and technical assistance services designed for microenterprises in the target region. An additional aim is to demonstrate the feasibility of establishing an intervention methodology that successfully combines investments by private and government institutions and international technical cooperation.</p> <p>The specific objectives of the project are to help: (i) encourage participation and investment by microentrepreneurs in training and technical assistance activities; and (ii) improve and adapt supply to actual demand in the microenterprise sector.</p>	
Special contractual clauses:	<p>Once the general contractual conditions have been met, the Bank can disburse up to US\$10,000 to defray the cost of hiring the program's UTEC Coordinator, who will provide assistance in fulfilling the conditions precedent to the first disbursement (see paragraph 4.9).</p> <p>As a condition precedent to the first disbursement, FEDISAL will furnish evidence to the Bank's satisfaction that: (i) the technical unit (UTEC) Coordinator has been hired (see paragraph 4.9); (ii) the first annual plan has been prepared (see paragraph 7.2); and (iii) FEDISAL has entered into financial cooperation agreements with the institutions that will be its partners in the program. The agreements must specify the amount that each institution will commit to the program (see paragraph 4.5).</p>	

As a condition precedent to the disbursement for Component I, Training and Technical Assistance Vouchers, evidence will be requested that: (i) the Procedures Manual (see paragraph 4.10) has been presented to the Bank's satisfaction; and (ii) the Promotion Offices have been established in San Miguel and Zacatecoluca (see paragraph 4.11).

**Exceptions to
Bank policy:**

None.